

SENATE BILL 1392

By Johnson

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 6, relative to sales and use tax.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by adding the following language as a new section:

Section 67-6-375. Notwithstanding any provision of this part to the contrary, the hosting of a web site in Tennessee does not establish a physical presence in Tennessee. The creation, development or modification for a customer by a Tennessee dealer of a web site that is hosted in Tennessee shall not be subject to tax under this chapter unless the customer has a physical presence in Tennessee.

SECTION 2. This act shall take effect July 1, 2009, the public welfare requiring it.